THE HON'BLE MR JUSTICE K.C. BHANU

On Tuesday, the thirteenth day of September

Two thousand and five..

W.P. NO.19966 of 2005

C.Shravan Kumar

…….Petitioner.

And

The Central Registrar/Arbitrator, A.P.Mahesh Coop.Urban Bank Ltd., at Himayathnagar, Hyderabad and another.

……Respondents.

O R D E R:

Challenging the award passed by the 1st respondent in Rc.No.311/08-04 dated 22.3.2005, the present writ petition is filed.

There cannot be any dispute that the arbitration award can be challenged, provided that it is irrational or capricious or beyond the terms of the agreement but none of the conditions attracts to the present case. However, the learned counsel for the petitioner contended that the principal amount is Rs.50,000/- and the interest awarded is at 18% p.a. plus 2% penal interest. So, the interest clauses are contrary to the public policy.

In view of these circumstances, without entering into the merits of the case, the writ petition is disposed of at the admission stage with a direction to the

petitioner to present an application before the appropriate authority and on such application, the authority may take appropriate decision in accordance with law. No costs.

Justice K.C.BHANU.

13th September 2005.

BCS